IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE S.SIRI JAGAN

MONDAY, THE 6TH AUGUST 2007 / 15TH SRAVANA 1929

WP(C).No. 6765 of 2007(E)

PETITIONER:

M/S.VAZHAKALA AGENCIES,
VAZHAKALA COMMERCIAL CENTRE, KODIMATHA,
KOTTAYAM-39, REPRESENTED BY ITS MANAGING PARTNER,
MR.ABRAHAM THOMAS.

BY ADV. SRI.DEVAN RAMACHANDRAN
SMT.T.G.SEETHAL

RESPONDENTS:

1. THE PUNJAB NATIONAL BANK,
KOTTAYAM BRANCH, T.B.ROAD, KOTTAYAM REPRESENTED
BY ITS MANAGER.

2. THE REGIONAL MANAGER & AUTHORISED
OFFICER, PUBJAB NATIONAL BANK, REGIONAL OFFICE,
CPGP TOWERS, STATUE, TRIVANDRUM.

BY ADV. SRI.P.K.SURESH KUMAR
SMT.PRIYA VIJAYAN

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON 06/08/2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

S.SIRI JAGAN, J.

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W.P.(C).No.6765 of 2007

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Dated this the 6th day of August, 2007

J U D G M E N T

The petitioner challenges proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act. Petitioner's contention is that he was granted the benefit of OTS and the amounts demanded under the OTS scheme have been paid by the petitioner, although belatedly. The grievance of the petitioner is that in spite of the same, the bank is demanding further unreasonable amounts.

2. The learned Standing Counsel appearing for the 1st respondent bank submits that the petitioner committed default in payment of the OTS amounts in spite of grant of several opportunities and in the above circumstances, the respondents were forced to cancel the OTS offer. The respondents would justify their decision as there was no fault on their part.

3. Having heard both sides, I feel that now that the petitioner has paid the entire amounts, the petitioner can be given opportunity to pay the interest on the OTS amount as also other expenses incurred by the bank in respect of the proceedings under the Act, subject to which the respondents shall regularise the matter. Respondents shall calculate the interest and other expenses due, and intimate the same to the petitioner. The petitioner shall pay such amounts within two months from the date of receipt of the statement of amounts due. If the petitioner pays the amounts as demanded, further proceedings under the Act would be dropped. However, if the petitioner fails to pay the amounts within the time stipulated, the petitioner would not be entitled to the benefits under the OTS scheme and the bank would be free to proceed further in accordance with the proceedings now initiated.

The writ petition is disposed of as above.

Sd/-

sdk+ S.SIRI JAGAN, JUDGE

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P.A. to Judge.